## 2008 Legislation Summary Board for Licensing Contractors

PUBLIC CHAPTER NO. 792 SENATE BILL NO. 1288 (Geothermal HVAC Projects)

Section 62-6-119(b), is amended in the first sentence by inserting the language "and for each vertical closed loop geothermal heating and cooling project, the company name, Tennessee Department of Environment and Conservation license number, classification (G, L or G,L) and the expiration date," between the language "air conditioning contracts," and the language "appear on the outside of the envelope".

SECTION 2. Tennessee Code Annotated, Section 62-6-119(b), is amended in the fourth sentence by inserting the language "or the geothermal heating and cooling" between the language "air conditioning" and the language "must be so designated".

This act shall take effect July 1, 2008

PUBLIC CHAPTER NO. 904 SENATE BILL NO. 3902 (Non-Reciprocal States)

Section 62-6-111(a)(1), is amended by designating the current language as subdivision "(A)" and by adding the following new language, to be designated as subdivision "(B)": (B) Anyone desiring to be licensed as a contractor for this state, who resides in a state that does not practice reciprocity with licensees of the Tennessee board for licensing contractors, shall make written application on such forms as shall be prescribed by the board and shall attach an affidavit thereto stating that the applicant is not currently performing any construction work and has not offered to engage in any construction work in this state wherein the amount of the applicant's contract exceeds twenty-five hundred dollars (\$2.500) or, in the case of a limited licensed electrician. wherein the amount of such applicant's contract exceeds twenty-five thousand dollars (\$25,000). The application shall be accompanied by an application fee as set by the board. The application shall also be accompanied by evidence of the applicant's current workers' compensation insurance coverage. Failure to provide such evidence of insurance coverage shall make the applicant ineligible for licensure by the board until such evidence of insurance coverage is provided. Any application for initial licensure or for renewal of licensure also shall be accompanied by an affidavit affirming that the applicant maintains general liability insurance and workers' compensation insurance and specifying the amount of the insurance as well as any other information the board may require.

This act shall take effect July 1, 2008.

PUBLIC CHAPTER NO. 804 HOUSE BILL NO. 3105 (Retainage)

Section 66-11-144(g), is amended by deleting the subsection in its entirety and by substituting instead the following: (g) This section shall be applicable to all prime contracts and all subcontracts thereunder for the improvement of real property when the contract amount of such prime contract is five hundred thousand dollars (\$500,000) or greater, notwithstanding the amount of such subcontracts.

SECTION 2. The Tennessee Code Commission is directed to move Tennessee Code Annotated, Section 66-11-144 in its entirety to Title 66, Chapter 34, Part 1 to be renumbered as § 66-34-104.

SECTION 3. Tennessee Code Annotated, Section 66-34-103, is amended by adding the following as new subsections (d) and (e): (d) In the event that an owner or prime contractor withholds retainage which is for the use and benefit of the prime contractor or its subcontractors pursuant to subsections (a) and (b) of § 66-34-104, neither the prime contractor nor any of its subcontractors shall be required to deposit additional retained funds into an escrow account in accordance with § 66-34-104(a) and (b).(e)(1) It is an offense for a person, firm or corporation to fail to comply with the provisions of § 66-34-104(a) or subsection (a) or (b) of this section. (2) (A) A violation of this subsection is a Class A misdemeanor, subject to a fine only of \$3,000.00.

## PUBLIC CHAPTER NO. 861 SENATE BILL NO. 3968 (Public Member Appointment)

Section 62-6-104(a)(1), is amended by deleting the following language in the second sentence of the subdivision: and at least one (1) of whom shall be a person who is not engaged as a contractor in any county of this state and by substituting instead the language: and at least one (1) of whom shall be a person who is not engaged as a contractor in any county of this state and has no significant financial interest in residential contracting. For purposes of this section, "significant financial interest" means ten percent (10%) of gross personal income for a calendar year except that it means fifty percent (50%) of gross personal income for a calendar year if the recipient is over sixty (60) years of age and is receiving such portion pursuant to retirement, pension, or similar arrangement. SECTION 2. It is the intent of the general assembly that the current member of the state board for licensing contractors who is not engaged as a contractor shall continue to serve on the board until the expiration of the member's current term of service. SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 21, 2008

## SENATE BILL 4039 (Energy Efficient Schools Initiative)

AN ACT to amend Tennessee Code Annotated, Title 4 and Title 49, relative to creating the Energy Efficient Schools Initiative.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE: SECTION 1. Tennessee Code Annotated, Title 49, is amended by adding sections 2 through 8 as a new chapter.

SECTION 2. This chapter shall be known and may be cited as the "Energy Efficient Schools Initiative (EESI) of 2008."

(Please refer to the General Assembly's website for the complete law with amendments).

## HOUSE BILL 2949 (Notify Licensees – January 1, 2009)

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3; Title 4, Chapter 5; Title 37, Chapter 5, Part 1; Title 43; Title 44; Title 45, Chapter 1, Part 1; Title 62; Title 63; Title 68 and Title 71, Chapter 1, Part 1, relative to licenses, certifications, and registrations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE: SECTION 1. Tennessee Code Annotated, Section 62-76-101, is amended by designating the existing language as subsection (a) and by adding the following language as a new subsection (b): (b) Each board, commission, agency or other governmental entity created pursuant to this title shall:

(1) Notify each holder of a license, certification or registration from such board, commission, agency or other governmental entity where to obtain a copy of any statutes, rules, policies, and guidelines that regulate such holder and are implemented or enforced by such entity and shall, upon request, make available to the holder a copy of such statutes, rules, policies, and guidelines......

(Please refer to the General Assembly's website for the complete law with amendments).

Note: This is a summary of a few bills recently passed and many are in the process of having public chapter numbers assigned with amendments. You may review final legislation and the full contents of the laws passed with the Tennessee General Assembly at: <a href="http://www.legislature.state.tn.us/">http://www.legislature.state.tn.us/</a>

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